

Department of Juvenile Corrections

	FY 2017 ACTUAL	FY 2018 ESTIMATE	FY 2019 APPROVED
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	738.5	738.5	738.5
Personal Services	20,057,900	19,091,100	21,367,400
Employee Related Expenditures	11,034,100	10,837,200	12,668,300
Professional and Outside Services	966,200	859,700	859,700
Travel - In State	310,300	300,400	300,400
Travel - Out of State	11,900	2,900	2,900
Other Operating Expenditures	4,945,900	4,471,100	4,550,700
Equipment	516,700	642,500	642,500
AGENCY TOTAL	37,843,000	36,204,900	40,391,900 ^{1/2/}
FUND SOURCES			
General Fund	23,013,900	19,549,800	22,734,500
<u>Other Appropriated Funds</u>			
Criminal Justice Enhancement Fund	530,000	531,300	531,400
Department of Juvenile Corrections Local Cost Sharing Fund	11,260,000	11,260,000	11,260,000
State Charitable, Penal and Reformatory Institutions Land Fund	2,002,300	3,272,600	4,011,600
State Education Fund for Committed Youth	1,036,800	1,591,200	1,854,400
SUBTOTAL - Other Appropriated Funds	14,829,100	16,655,100	17,657,400
SUBTOTAL - Appropriated Funds	37,843,000	36,204,900	40,391,900
Other Non-Appropriated Funds	196,700	513,100	513,100
Federal Funds	698,800	659,100	659,100
TOTAL - ALL SOURCES	38,738,500	37,377,100	41,564,100

AGENCY DESCRIPTION — The Department of Juvenile Corrections (DJC) is responsible for the care and treatment of youth offenders adjudicated to be delinquent and remanded to the custody of the department. DJC has jurisdiction over youth until they are released from custody or reach age 18.

Operating Budget

The budget includes \$40,391,900 and 738.5 FTE Positions in FY 2019 for the operating budget. These amounts consist of:

	FY 2019
General Fund	\$22,734,500
Criminal Justice Enhancement Fund (CJEF)	531,400
Department of Juvenile Corrections (DJC) Local Cost Sharing Fund	11,260,000
State Charitable, Penal and Reformatory Institutions Land Fund	4,011,600
State Education Fund for Committed Youth	1,854,400

FY 2019 adjustments are as follows:

32 Additional Youth Corrections Officers

The budget includes an increase of \$2,126,300 from the General Fund in FY 2019 for 32 additional Youth Correction Officers. The federal Prison Rape Elimination Act (PREA) required a daytime inmate to officer ratio of 8:1 beginning October 1, 2017. This funding allows DJC to hire enough officers to ensure compliance. DJC has enough capacity within its existing FTE Position authority to hire this staff.

Fund Shift from General Fund to Land Fund

The budget includes a decrease of \$(1,000,000) from the General Fund and a corresponding increase of \$1,000,000

^{1/} Twenty-five percent of land earnings and interest from the State Charitable, Penal and Reformatory Institutions Land Fund shall be distributed to the Department of Juvenile Corrections, in compliance with Section 25 of the Enabling Act and the Constitution of Arizona, to be used for the support of state juvenile institutions and reformatories. (General Appropriation Act footnote)

^{2/} General Appropriation Act funds are appropriated as a Lump Sum by Agency.

from the State Charitable, Penal and Reformatory Institutions Land Fund in FY 2019 for a fund shift.

Salary Adjustment Increase

The budget includes an increase of \$150,000 from the State Education Fund for Committed Youth in FY 2019 as part of the funding formula increase approved in the FY 2019 K-12 Education Budget Reconciliation Bill (BRB) (Laws 2018, Chapter 285). This increase will be used to raise teacher salaries by 10% and pay associated benefits.

Retirement Adjustment

The budget includes an increase of \$2,247,100 in FY 2019 for the employer retirement contribution rates. This amount consists of:

General Fund	2,139,000
State Education Fund for Committed Youth	108,100

In FY 2019, the DJC employer contribution rate for the Corrections Officer Retirement Plan will rise from 31.03% to 47.20%. Additionally, the adjustment includes monies for the statewide increase in the Arizona State Retirement System rate. *(Please see the Consolidated Retirement Report for more information.)*

Statewide Adjustments

The budget includes a decrease of \$(336,400) in FY 2019 for statewide adjustments. This amount consists of:

General Fund	(80,600)
State Charitable, Penal and Reformatory Institutions Land Fund	(261,000)
State Education Fund for Committed Youth	5,100
Criminal Justice Enhancement Fund (CJEF)	100

(Please see the Agency Detail and Allocations section.)

Other Issues

Local Cost Sharing

The FY 2016 Criminal Justice BRB (Laws 2015, Chapter 17) created the DJC Local Cost Sharing Fund with annual deposits from each county for their share of a portion of the operational costs of DJC. The FY 2019 Criminal Justice BRB (Laws 2018, Chapter 278) continues to set the total contribution by counties at \$11,260,000. *Table 1* displays the estimated payment by county:

County	FY 2019
Apache County	\$ 126,000
Cochise County	231,400
Coconino County	236,900
Gila County	94,400
Graham County	65,600
Greenlee County	14,800
La Paz County	36,200
Maricopa County	6,724,000
Mohave County	352,600
Navajo County	189,300
Pima County	1,726,900
Pinal County	661,900
Santa Cruz County	83,500
Yavapai County	371,700
Yuma County	344,800
TOTAL	\$11,260,000

The FY 2019 budget includes a one-time \$11,260,000 General Fund appropriation to the Department of Administration for distribution to counties to pay the full cost of the FY 2019 contribution. *(Please see the County Funding narrative for more information on state distributions to counties.)*

Population Counts

Table 2 lists the DJC population by category. The housed and parole populations within DJC have seen significant decreases in the past 10 years. As illustrated in *Table 2*, the housed population within DJC has decreased from 321 to 169, or (42.1)%, from FY 2015 through April 2018. The total parole population has also decreased significantly, realizing a reduction of (53.5)% over the same period. DJC reports that this decline is due to a reduction in the number of committed youth, an increase in the age of the average offender resulting in shorter incarceration periods, and statutory changes to admissions requirements.

The FY 2016 Criminal Justice BRB altered the requirements for admission to DJC facilities. These changes include an increase in the minimum admission age to 14, the requirement that juveniles who are admitted must have committed a felony in the past, and the allowance for those that are adjudicated as seriously mentally ill to be allowed admission if they have only committed a misdemeanor. Prior to this bill, the minimum age for admission was 8 years and individuals who had committed a misdemeanor were allowed entrance.

Table 2

DJC Census

	<u>FY 2015 Average Population</u>	<u>FY 2016 Average Population</u>	<u>FY 2017 Average Population</u>	<u>Population as of April 30, 2018</u>
Housed Population				
Adobe Mountain	321	227	179	169
Parole Population				
Parole	127	81	68	33
Interstate Compact (Inside Arizona) ^{1/}	<u>114</u>	<u>111</u>	<u>108</u>	<u>79</u>
Total Parole Population	<u>241</u>	<u>192</u>	<u>176</u>	<u>112</u>
Total DJC Population	562	419	355	281

^{1/} The Interstate Compact is an agreement between states to supervise parolees in each other's state. "Inside Arizona" means parolees from other states living in Arizona and "Outside Arizona" means Arizona parolees living in other states. There was an average of 1 Arizona parolee outside of Arizona in FY 2017 and 1 parolee on April 30, 2018.